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DPD-2174-59  
Copy 5 of 5

NEGOTIATED CONTRACT

CONTRACT NO. CH-CT-700

David Clark Company, Inc.  
360 Park Avenue  
Worcester, Massachusetts

Contract for: See Schedule

Amount: See Schedule

Mail Invoices to:

Performance Period:  
See Schedule

Administrative Data:

This contract is entered into by and between the United States of America, hereinafter called the Government, represented by the Contracting Officer executing this contract, and the above named Contractor which is a corporation, incorporated in the State of Massachusetts, hereinafter called the Contractor.

The parties hereto agree that the Contractor shall furnish the facilities and deliver all supplies and perform all the services set forth in the attached schedule issued hereunder, for the consideration stated therein.

The rights and obligations of the parties to this contract shall be subject to and governed by the attached schedule, APPENDIX I, and General Provisions, which together with this signature page and the accompanying certificate comprise Contract No. CH-CT-700. In the event of any inconsistency between the Schedule and the General Provisions, the Schedule shall control.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of 7 APR 1959, 1959.

Signatures:

DAVID CLARK COMPANY, INC.

THE UNITED STATES OF AMERICA

By

By

Title

Contracting Officer

SIGNED

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DPD-DD/P

Orig - CH-CT-700

2 - Contractor

3 - Finance

4 - Chrono

25X1A

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Contract No. CH/CT-700

CERTIFICATE

*SIGNED*

25X1A I, \_\_\_\_\_, certify that

I am the \_\_\_\_\_ of the Corporation named

25X1A as Contractor herein; that \_\_\_\_\_ who

signed this contract on behalf of the Contractor was then \_\_\_\_\_

25X1A \_\_\_\_\_ of said Corporation; that said contract was duly signed for and in behalf of said Corporation by authority of its governing body, and is within the scope of its Corporate powers.

*SIGNED*

25X1A \_\_\_\_\_ (Corporate Seal)

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**SCHEDULE**

**PART I - ARTICLES AND SUPPLIES TO BE FURNISHED**

(a) The Contractor shall furnish to the Government such equipment, spare parts, modification kits, components, and data for equipment of types which are being or may hereinafter be manufactured by the Contractor as the Government may call for hereunder. Quantities of the supplies to be furnished shall be determined as hereinafter provided.

(b) From time to time, the Government will furnish to the Contractor, Production Lists, numbered serially, setting forth the items which the Government desires to procure, together with the desired delivery schedule and preservation, packaging, packing and marking requirements therefor. Each such Production List shall set forth therein the estimated dollar amount thereof. Supplies of a critical nature in Production Lists shall be earmarked with an asterisk preceding the part number and the Contractor agrees to achieve the earliest possible delivery of such items. The Contractor will promptly delete from said lists any items rendered obsolete by design changes and insert in lieu thereof superseding and interchangeable items, if any, in the same or lesser quantities, as appropriate. Upon acceptance or after these deletions and insertions, if any, the request will be an Approved Production List. The Contractor will immediately transmit six (6) copies of the Approved Production List, together with any pertinent information concerning the superseded items and any superseding non-interchangeable items to the Contracting Officer and his duly authorized representatives so that superseding parts numbers can be procured on subsequent Production Lists. The Contractor will be obligated to furnish the items in the quantities listed therein, and subject to its rights elsewhere specified in this contract, the Government will be obligated to take delivery of the items so furnished on an Approved Production List. Where Approved Production Lists do not contain a quantitative delivery schedule, the Contractor shall forward direct to the Contracting Officer, an interim schedule indicating the estimated date of delivery of critical supplies. The Contractor is hereby authorized to make delivery in advance of the schedule appearing on any Approved Production List under this Contract.

(c) If it appears to the Contractor at any time that the total price of the total quantity of items covered by any or all Approved Production Lists is likely to exceed the funds allotted hereunder in PART VII, the Contractor shall notify the Contracting Officer and the authorized representative of the amount of such excess. Within thirty (30) days after receipt of such notice, the Government will either notify the Contractor that it has taken action to increase the funds allotted, or will notify the Contractor of the items or quantities to be deleted from such Approved Production Lists in order to bring it within the dollar amount available hereunder. If the Government fails

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to act within said thirty-day period, the Contractor shall submit to the Contracting Officer and the authorized representatives a recommendation of the parts to be deleted to bring the Approved Production List within said dollar amount and the Contracting Officer shall approve or disapprove such recommendations within ten (10) days after receipt thereof. If the Contracting Officer fails to act within said ten (10) day period, the recommendation of the Contractor shall be deemed to have been approved and the Production Lists shall be modified accordingly. If the Government deletes items or quantities from an Approved Production List, such action shall be considered a partial termination under the clause hereof entitled "Termination for Convenience of the Government."

**PART II - PROCEDURE FOR PRICING**

(a) As soon as possible after receipt by the Contractor from the Contracting Officer of a Production List, but in no event more than sixty (60) days after such receipt, the Contractor shall prepare and submit to the Contracting Officer a Proposed Priced Exhibit, numbered the same as the Approved Production List with the unit and total prices and delivery schedule covering the items shown thereon. A reproducible original and at least six (6) copies of the Proposed Priced Exhibit will be prepared and shall be delivered promptly by the Contractor to the Contracting Officer. The reproducible and three (3) copies shall carry at the end thereof, a certificate manually signed by an officer or other person authorized to bind the Contractor, stating that the prices therein represent a firm quotation. Each such Exhibit shall require the written approval of the Contracting Officer stating that the prices therein are fair and reasonable. Each such Exhibit shall set forth therein the total dollar amount.

(b) If the Proposed Priced Exhibit is approved by the Contracting Officer it shall be a numbered exhibit to the contract. If the Contracting Officer and the Contractor fail to agree on Prices in the Proposed Priced Exhibit, the failure to agree shall be deemed a disagreement as to a question of fact which shall be disposed of in accordance with the clause thereof entitled "Disputes." The Contracting Officer shall reduce to writing by a Proposed Priced Exhibit his decision, containing prices he believes fair and reasonable. The prices decided by the Contracting Officer shall be paid upon all deliveries, pending final decision of the dispute.

(c) Upon approval of any Priced Exhibit, the Contracting Officer shall deliver a copy thereof to the Contractor and forward one copy thereof bearing his written approval to the Finance Officer responsible for making payments under this contract. Upon Government's acceptance of delivery of any of the items listed on an

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Approved Priced Exhibit, the Contractor shall be entitled to be paid therefor at the prices shown on the Approved Priced Exhibit.

(d) The Contractor shall be paid upon the submission monthly of properly certified invoices or vouchers, for partial deliveries accepted by the Government, or, when requested by the Contractor, payment for accepted partial deliveries shall be made whenever such payment would equal or exceed either \$1,000.00 or 50% of the total amount of the Approved Priced Exhibit.

### PART III - DELIVERY

Deliveries shall be made in accordance with the delivery schedules set forth in the Approved Priced Exhibits as may be generated under this contract from time to time.

### PART IV - INSPECTION AND ACCEPTANCE

All supplies and services to be furnished under this contract shall be shipped F.O.B. destination in accordance with shipping instructions to be issued at a later date. Inspection and acceptance of the supplies or services called for herein, shall be made by the Government at destination.

### PART V - PERIOD OF PERFORMANCE

(a) Production Lists shall be issued only during the period 1 April 1959 through 30 June 1959.

(b) The Government is granted the right and option of renewing or extending this contract for any additional periods of time. This option to extend will be exercised by issuance of an Amendment to this contract.

### PART VI - ESTABLISHMENT OF A PRICING FORMULA

The parties hereto shall negotiate and establish a fixed pricing method for certain periods of time. The agreed upon formula from inception of this contract through 31 December 1959 is set forth in APPENDIX I hereof. The formula for each succeeding period of this contract, as it may be amended, shall be set forth in amendments to this contract.

### PART VII - FUNDS ALLOTTED

(a) For the purposes of this contract there has been allotted the amount of \$10,000 for the period ending 30 June 1959.

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(b) Contractor's invoices shall indicate (1) the period involved, (2) the total funds allotted for said period less the total of all previous invoices theretofore submitted, thereby (3) showing the balance of funds available for expenditure in that period. Under this amount shall be set forth the amount currently being claimed, reflecting the Proposed Priced Exhibit Number, the line item number, quantity, unit price and total prices therefor.

(c) All Depot Purchase Requests or Contracting Officer authorizations received prior to the end of a period should be charged to the funds allotted for that period although the preparation of the Proposed Priced Exhibit, performance of work and the submission of invoices may be after close of the period.

(d) Contractor will indicate on final invoices that such invoice is its final claim for that period and inform the Contracting Officer of the unexpended amount. Unexpended funds at the end of a period are not authorized for use in a subsequent period. If, at any time, the Contractor is of the opinion that the cost of such work will exceed the amount set forth above, it shall notify the Contracting Officer in accordance with the provisions of paragraph (e) of PART I.

#### **PART VIII - WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS**

Notwithstanding the requirements of any of the General Provisions of this contract to the contrary, whenever the Contractor, in performance of the work under this contract, shall find that the requirements of any of the clauses of the General Provisions are in conflict with security instructions issued to the Contractor by the Contracting Officer or by his duly authorized representative for security matters, the Contractor shall call the attention of the Contracting Officer to such conflict and the Contracting Officer or his duly authorized representative for security matters shall (i) modify or rescind such security requirements or (ii) the Contracting Officer shall issue to the Contractor a waiver of compliance with the requirements of the General Provisions conflicting with such security requirements. Any waiver of compliance with the General Provisions of this contract issued by the Contracting Officer shall be in writing, except that the approval by the Contracting Officer of any subcontract issued hereunder by the Contractor shall be deemed to constitute approval of waiver of any clauses of the General Provisions in conflict with the stipulations of such subcontract.

#### **PART IX - SPECIAL SECURITY RESTRICTIONS**

The Contractor shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information

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whatsoever with respect to the department of the Government sponsoring this contract and the work thereunder except as the Contractor is directed or permitted to reveal such information by the Contracting Officer or by his duly authorized representative for security matters, and notwithstanding any clause or section of this contract to the contrary, the Contractor shall not interpret any clause or section of this contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government without the express consent of the Contracting Officer or his duly authorized representative for security matters.

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**APPENDIX I**  
**to**  
**Contract No. CH-CT-700**

**PRICING FORMULA**

1. Period of Time: 1 April 1959 through 31 December 1959.
2. Rates for Production of Supplies and Equipment:

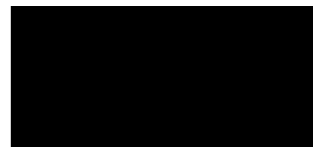
<u>Labor Category</u>	<u>Direct Labor Hours Excluding Overtime Premium</u>	<u>Direct Labor Hours Including Overtime Premium</u>
Pattern Maker Technician, Fitting and Indoctrinator		
Cutter		
Stitcher		
Cementer		
Structural Test		

Overtime work will be allowed hereunder only to the extent approved in writing by the Contracting Officer.

3. Standard Material Pricing:

- a. Material
- b. General and Administrative  
Expense
- c. Total
- d. Profit
- e. Contract Selling Price

Actual Cost



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4. All deliveries shall be f.o.b. destination. Shipping charges may be included in item prices on the Priced Exhibits or may be shown as a separate item on the Contractor's invoices without having been included on the Priced Exhibit. In all cases where separate invoices may be submitted for shipping charges, appropriate references shall be made thereon to the material invoices, item numbers and priced exhibits to which the shipping charges pertain.

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